

Approved For Release 2005/04/18 : CIA-RDP80R01731R003700020007-7

TOP SECRET

COPY NO. 11

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

May 14, 1951

TOP SECRET

NSC notes 16 May

WARNING

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT, 50 U.S.C., 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

1. COMPLETED PROJECTS
(May 7, 1951-May 14, 1951)

(NONE)

2. PROJECTS UNDER CONSIDERATION BY THE NSC

A. ITEMS SCHEDULED ON AGENDA FOR THE 91st NSC MEETING ON WEDNESDAY, MAY 16, 1951:

THE SITUATION IN THE FAR EAST

Scheduled for discussion as Item 1 in the light of an oral briefing by the Chairman, JCS, on the military situation in Korea.

UNITED STATES OBJECTIVES, POLICIES AND COURSES OF ACTION IN ASIA
(NSC 48/4; NSC 48/3 revised by memo for all holders of NSC 48/3, dated April 27, 1951; Annex to NSC 48/3; NSC 101; NSC 101/1; NSC Action Nos. 420 and 466; NSC 48/2; Memo for NSC from Executive Secretary, subject: "The Position of the United States with Respect to Asia", dated November 20, 1950; Memos for NSC from Executive Secretary, subject: "United States Action to Counter Chinese Communist Aggression", dated March 21 and April 10, 1951; Memos for the NSC from Executive Secretary, same subject, dated May 1, 8, and 14, 1951; NIE-10, -19, -20 and -27)

At its 90th Meeting (NSC Action No. 466) the Council discussed NSC 48/3 and the Annex to NSC 48/3 and referred them to the NSC Staff for revision in the light of the discussion at the meeting. Revision submitted for Council consideration as NSC 48/4, scheduled as item 2 on the agenda. Further revision of paragraph 6-g, prepared by the Senior NSC Staff, submitted by the reference memorandum of May 8, for consideration in lieu of that paragraph in NSC 48/4. Memorandum by the JCS on NSC 48/4 circulated for Council information and consideration by the reference memo of May 14. The Annex to NSC 48/4 will be revised by the NSC Staff to accord with the statement of policy contained in NSC 48/4, when adopted.

(See related Indochina and Japanese peace treaty projects in Section 3-A; project, same subject, in Section 4; and first item in Section 3-A.)

UTILIZATION OF MANPOWER OF OTHER NATIONS FOR MILITARY PURPOSES
(NSC 108 and memo for all holders of NSC 108, dated April 24, 1951; Memo for NSC from Executive Secretary, same subject, dated May 8, 1951.)

At the suggestion of the Senior State Member, the Senior NSC Staff on December 12 agreed to designate an ad hoc group under the chairmanship of a JCS official and with officials from State, NSRB, Mr. Harriman's Office, and CIA, to prepare a draft report on the subject.

The report by the ad hoc committee was considered and amended by the NSC Staff for submission to the NSC as NSC 108. JCS views

UTILIZATION OF MANPOWER OF OTHER NATIONS FOR MILITARY PURPOSES
(Cont'd)

circulated by the reference memorandum. Scheduled for consideration as Item 3. (See related civilian manpower project in Section 3-A)

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN

(Progress Report, dated May 2, 1951, by the Under Secretary of State on NSC 107; NSC Action No. 454e.)

The reference progress report by the Under Secretary of State on the subject, prepared pursuant to NSC Action No. 454e, was circulated to the Council for information and is scheduled to be noted as Item 4. (See Iran project in Section 3-A.)

UNITED STATES POLICY TOWARD INTER-AMERICAN MILITARY COLLABORATION

(Progress Report, dated April 20, 1951 by the Department of State on NSC 56/2)

The reference progress report by the Department of State on the subject has been circulated for Council information and is scheduled to be noted as Item 5.

SECURITY OF STRATEGICALLY IMPORTANT INDUSTRIAL OPERATIONS IN FOREIGN COUNTRIES

(Progress Report, dated April 26, 1951, by the Under Secretary of State on NSC 29)

The reference progress report by the Under Secretary of State on the subject was circulated for Council information and is scheduled to be noted as Item 6.

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

B. ITEMS AWAITING SUBSEQUENT NSC CONSIDERATION

THE POSITION OF THE UNITED STATES WITH RESPECT TO TURKEY
(NSC 109; NSC Action No. 366-c; NIE-9; NSC 103/1)

Pursuant to NSC Action No. 366-c, the NSC Staff has prepared NSC 109 on the subject for Council consideration. The NSC Staff has also recommended in this connection, as indicated in the cover note to NSC 109, that NSC 103/1, "The Position of the United States with respect to Greece," be revised concurrently. To be scheduled on the agenda of an early Council meeting.

THE POSITION OF THE UNITED STATES WITH RESPECT TO COMMUNISM IN ITALY
(Progress Report, dated April 30, 1951, by the Secretary of State on NSC 67/3)

The reference progress report by the Secretary of State on the subject has been circulated for Council information and will be scheduled on the agenda of an early Council meeting.

U.S. POSITION ON THE DISPOSITION OF THE FORMER ITALIAN COLONIES
(Progress Report, dated April 30, 1951, by the Under Secretary of State on NSC 19/5)

The reference progress report by the Under Secretary of State on the subject was circulated for Council information and will be scheduled on the agenda of an early Council meeting.

THE POSITION OF THE UNITED STATES WITH RESPECT TO SOUTH ASIA
(Progress Report, dated May 10, 1951, by the Department of State on NSC 98/1)

The reference progress report by the Department of State on the subject was circulated for Council information and will be scheduled on the agenda of an early Council meeting.

UNITED STATES POLICY TOWARD ARMS SHIPMENTS TO THE NEAR EAST
(Progress Report, dated May 14, 1951, by the Under Secretary of State on NSC 65/3)

The reference progress report by the Under Secretary of State on the subject as being circulated for Council information and will be scheduled on the agenda of an early Council meeting.

PROJECTS UNDER CONSIDERATION BY THE NSC (Cont'd)

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY

(Memo for NSC from Executive Secretary, same subject, dated April 26, 1951)

Recommendation by the Joint Chiefs of Staff, in which the Secretary of Defense has concurred, subject to his stated condition, submitted for Council consideration by the reference memo of April 26, 1951. The recommendation was discussed by the Senior NSC Staff on May 8 in connection with its discussion, together with representatives of the Bureau of the Budget and budget offices from the Department of Defense, of the effect upon U.S. objectives, capabilities and commitments of the military budget for FY 1952. To be scheduled on the agenda of an early Council meeting.

TOP SECRET

3. CURRENT NSC STAFF PROJECTS

A. SENIOR NSC STAFF

AGENDA FOR 91st NSC MEETING (Dated May 11, 1951)

The items on the subject agenda are scheduled for discussion on May 16, in anticipation of the Council Meeting. (See also Section 2-A)

RELATIONSHIP OF CERTAIN NSC PAPERS TO NSC 48/4

(Memo for Senior NSC Staff from Executive Secretary, subject, "United States Objectives, Policies, and Courses of Action in Asia," dated May 8, 1951)

The recommendations by the Acting Senior State Member on the subject contained in the enclosure to the reference memorandum is scheduled for consideration on May 15. (See also Section 2-A)

NSC DETERMINATIONS UNDER PUBLIC LAW 843, SECTION 1304 (THE CANNON AMENDMENT)

(Memo for Senior NSC Staff from Executive Secretary, same subject, dated May 9, 1951)

The draft memorandum by the Special Committee on East-West Trade, prepared pursuant to NSC 94/1 and attached to the reference memorandum, is scheduled for consideration on May 15. This constitutes a report on trade between the Soviet bloc and Sweden and Switzerland. (See also Section 3-C)

COLLABORATION WITH FRIENDLY GOVERNMENTS ON EXCHANGE OF INFORMATION CONCERNING OPERATIONS AGAINST GUERRILLAS

(NSC 90; Memos for Senior NSC Staff from Executive Secretary, same subject, dated March 12, and May 8, 1951)

NSC 90 was circulated for Council information and referred to the Senior NSC Staff for use in the preparation of a report. On October 30 the Senior State and JCS Members undertook to collaborate in the preparation of a draft paper covering both the political and military aspects of the problem; and the Senior CIA Member agreed to prepare an intelligence estimate on current and probable areas and characteristics of guerrilla warfare. Joint report by State, JCS and CIA, upon the recommendation of the Staff Assistants, was submitted by the reference memo of March 12 for the Senior Staff consideration. On March 15 the Senior Staff referred the report to representatives of the Senior State, JCS and CIA Members to revise in the light of the discussion. Report by State, JCS and CIA Members, circulated by the reference memo dated May 8 and is scheduled for consideration on May 15.

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)

REVIEW OF THE CURRENT WORLD SITUATION AND ABILITY OF THE FORCE BEING MAINTAINED TO MEET UNITED STATES COMMITMENTS

(Memo for NSC from Executive Secretary, same subject, dated April 26, 1951)

At the request of the Secretary of Defense, two memoranda by the JCS with enclosures on the subject were circulated by the reference memo to the Council for information, and pending scheduling of this item on the agenda of an early Council meeting, were referred to the Senior NSC Staff for the preparation of appropriate recommendations for Council action with respect thereto. After preliminary discussion by the Senior Staff on May 8, the subject was postponed until a subsequent meeting. (See also related "Joint Review" project in Section 4.)

THE EASTERN MEDITERRANEAN AND MIDDLE EAST

/PRIORITY PROJECT/

(Memo for Senior NSC Staff from Executive Secretary, same subject, dated December 12, 1950; NIE-14 and 26)

Memorandum by the Senior State Member on the subject transmitted by the reference memo and considered by the Senior Staff on December 29, when it was agreed that an initial draft report should be prepared by State and that CIA should furnish an intelligence estimate of local attitudes and conditions which affect protection of our interests and the realization of our objectives. On February 23 the Senior NSC Staff agreed that this project should be completed as a matter of priority. CIA estimate circulated as NIE-26. Awaiting initial draft report from State. (See also related area projects in this section and in Section 3-B.)

CONDITIONS FOR A PEACEFUL SETTLEMENT WITH THE USSR

/PRIORITY PROJECT/

(Record of Senior NSC Staff Meeting, February 23; NSC 79; Memo for NSC from Executive Secretary, subject: "United States and Allied Objectives in the Event of Global War", dated September 6, 1950)

On February 23 the Senior NSC Staff agreed that the NSC 79 project on United States and allied war objectives should be completed in two sections and that the section on the above subject, including a plan for reduction and regulation of armaments and armed forces, should be completed as a matter of priority. Awaiting report by the State, Defense and JCS members. (See also NSC 79 project below and related "Joint Review" in Section 4.)

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES AND ALLIED WAR OBJECTIVES IN THE EVENT OF GLOBAL WAR
(NSC 79; Memo for NSC from Executive Secretary, same subject, dated September 6, 1950)

JCS memo (NSC 79) circulated for Council information and referred to the Staff for use in the preparation of a report. The Senior Staff designated an ad hoc group to draft a report to include both a statement of war objectives in the event of global war, and such related questions as a statement of the conditions that the U.S. would be willing to accept for a peaceful settlement with the USSR and its satellites. At the initial meeting of the ad hoc group under the chairmanship of the State member on October 6, the form and content of a response to the problems posed by NSC 79 were discussed and agreed upon.

On February 23 the Senior Staff agreed that this project should be divided as follows: (1) a statement of U.S. and allied war objectives in the event of a global war; and (2) a statement of the conditions the U.S. would be willing to accept for a peaceful settlement with the USSR, including a plan for the reduction and regulation of armaments and armed forces. Awaiting initial draft by the State Policy Planning Staff of the project listed under (1) above. (See also related project above and "Joint Review" in Section 4.)

THE POSITION OF THE UNITED STATES WITH RESPECT TO IRAN
(NSC 107; NSC Action No. 454; Memo for NSC from Executive Secretary, same subject, dated March 26, 1951; Progress Report by the Under Secretary of State on NSC 107, dated May 2, 1951; CIA preliminary report on "Current Developments in Iran", dated May 2, 1951; NIE-6)

In adopting the reference report at its 87th meeting, the Council directed the NSC Staff to review the statement of policy in NSC 107, if the President approved it, whenever the situation in Iran has clarified sufficiently to warrant such review, and in any event not later than July 1, 1951. Accordingly, in the light of the current situation and the reference progress and CIA reports, the Senior Staff, on May 3, agreed that the State, Defense and CIA members of the Senior Staff, consulting with other departments and agencies as desirable, should explore the need for a revision of NSC 107 in the light of the current situation and report their findings to the Senior NSC Staff. Awaiting report from State, Defense and CIA Senior Staff Members. (See also Progress Report on this subject, in Section 2-A.)

PROPOSED NSC STUDY OF USE OF CIVILIAN MANPOWER OF NON-SOVIET NATIONS FOR PRODUCTION OF GOODS AND SERVICES

(Memo for Senior NSC Staff from Executive Secretary, subject, "Proposed NSC Study of Use of Foreign Manpower for Production", dated March 29, 1951; Memo for Senior NSC Staff from Executive Secretary, same subject, dated April 16, 1951)

CURRENT NSC STAFF PROJECTS (Cont'd)

PROPOSED NSC STUDY OF USE OF CIVILIAN MANPOWER OF NON-SOVIET NATIONS FOR PRODUCTION OF GOODS AND SERVICES (Cont'd)

Memos by the Acting Senior NSRB Member and by the Senior ODM Member, transmitted by the reference memos of March 29 and April 16, respectively, were considered by the Senior Staff on April 17. It was agreed that ODM should undertake the preparation of a report on the subject for consideration by the NSC Staff, along the lines proposed by ODM in the report attached to the reference memo of April 19. The Staff further agreed to the inclusion of NSRB and Mr. Harriman's Office among the agencies to be consulted by ODM. Awaiting report from Senior ODM Member. (See related project in Section 2-A.)

UNITED STATES OBJECTIVES AND PROGRAMS FOR NATIONAL SECURITY
(NSC 68 Series; Annex No. 8, Long-term Political and Economic Framework)

Awaiting revision of Annex No. 8 by State. (See also related projects above and in Section 4.)

JAPANESE PEACE TREATY
(NSC 60/1)

On September 15 the Senior Staff agreed that this subject should be a continuing project and that accordingly the Senior State Member should keep the Senior Staff informed on any security policy issues which may arise, with a view to further consideration of the subject. (See also related area project above and in Section 2-A.)

THE EFFECT UPON UNITED STATES OBJECTIVES, CAPABILITIES, AND COMMITMENTS OF THE MILITARY BUDGET FOR FY 1952
(NSC 68 Series; NSC Action No. 393)

The subject was discussed on May 8 in the light of an oral presentation by Mr. Garlock of the Department of Defense, and as relative to current NSC projects.

Subsequently, on May 10, the problems involved in meeting production schedules for military materiel were discussed in the light of informal comments by Mr. Fisher of the Office of Defense Mobilization. It was agreed that Mr. Fisher should be invited to discuss the subject at greater length at such time as the relevant data become available for presentation to the Senior Staff.

It was also agreed that the Executive Secretary should arrange at an early date for a similar presentation with respect to the status of the MDAP programs. (See related "Joint Review" project in Section 4)

CURRENT NSC STAFF PROJECTS (Cont'd)

THE POSITION OF THE UNITED STATES WITH RESPECT TO INDOCHINA
(NSC 64/1; Memo for Senior NSC Staff from Executive Secretary,
same subject, dated January 4, 1951)

At the request of the Secretary of Defense the views of the JCS on the subject (NSC 64/1) were circulated for Council information and referred to the NSC Staff for use in the preparation of a report for Council consideration. On December 27, the Senior Staff directed the Staff Assistants to prepare, as a matter of urgency, a draft report on the immediate steps the United States should take to meet the critical situation in Indochina. Draft report by Staff Assistants submitted to Senior Staff by the reference memo. On January 8, the Senior Staff discussed the subject in the light of the importance of Indochina to the security of Southeast Asia and the security of the United States. To be considered further at a later Senior Staff meeting. (See also related area projects in this section and in Section 2.)

CURRENT NSC STAFF PROJECTS (Cont'd)

B. NSC STAFF ASSISTANTS

POSITION OF THE UNITED STATES WITH RESPECT TO SCANDINAVIA

(Progress Report, dated November 14, 1950, on NSC 28/1 and NSC 32/1; NSC 88; Memo for Senior NSC Staff from Executive Secretary, subject: "U.S. Courses of Action in the Event the Soviets Attempt to Close the Baltic", dated March 26, 1951; Record of Senior Staff Meeting on April 3, par. 3)

On December 13 the Senior NSC Staff directed the Staff Assistants to prepare a draft revision of NSC 28/1 for consideration by the Senior Staff.

On October 17, 1950, NSC 88, "U.S. Courses of Action in the Event the Soviets Attempt to Close the Baltic", was circulated for Council information and referred to the NSC Staff for preparation of a report for Council consideration. In view of recommendations made by the Staff Assistants in the reference memo of March 26, the Senior Staff agreed on April 3 that a statement of policy and a staff study on the subject of NSC 88 should be incorporated in the draft report on "The Position of the United States with Respect to Scandinavia", and that completion of this project should be expedited. Awaiting initial draft report by State.

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY

(NSC 89; NSC 73/4, par. 42; Memos for NSC from Executive Secretary, subject: "Additional Airlift to Support the Far East", dated September 27 and November 20, 1950; NSC Action No. 368; Memo for Senior NSC Staff from Executive Secretary, same subject, dated October 31, 1950; Memo for Senior NSC Staff from Executive Secretary, subject: "Courses of Action in the Event East Germany Imposes a Blockade in Berlin", dated February 16, 1951; Memo for Senior NSC Staff from Executive Secretary, subject: "United States Policy with Regard to a Possible New Berlin Blockade", dated March 27, 1951; NIE-4)

At its 69th Meeting, the Council noted the reference memo of September 27, and the fact that the situation presented therein would be taken into consideration in the studies on the Berlin blockade referred to in par. 42 of NSC 73/4. Memoranda on the subject by the Deputy Under Secretary of State and the Secretary of Defense were circulated for Council information as NSC 89, and referred to the NSC Staff for use in connection with this staff project. JCS study on airlift capabilities circulated to Senior Staff by the reference memo of October 31. Subsequent memo by the Deputy Secretary of Defense (reference memo of November 20) circulated for Council information and referred to the Staff for consideration in connection with this project. Views of the JCS on "Courses of Action in the Event East Germany Imposes a Blockade in Berlin" circulated by the

CURRENT NSC STAFF PROJECTS (Cont'd)

UNITED STATES POLICY WITH RESPECT TO BERLIN AND EASTERN GERMANY
(Cont'd)

reference memo of February 16 to the Senior Staff for consideration in connection with this project upon the recommendation of the Secretary of Defense. NIE-4, issued by CIA, relates to the above subject.

On February 23 the Senior Staff noted that the JCS views would be taken into account in the early completion of a draft report on "U.S. Policy with Respect to Berlin and Eastern Germany" now under preparation in the Department of State in collaboration with the Department of Defense. Report by State circulated by reference memo dated March 27, considered by the Senior Staff on April 3 and referred to the Staff Assistants for revision in the light of the discussion. Awaiting initial draft by ad hoc group of Staff Assistants.

THE SAFETY OF THE AMERICAN CIVILIAN POPULATION IN GERMANY AND JAPAN
IN THE EVENT OF HOSTILITIES
(NSC 106)

Letter by the Secretary of Defense to the President on the subject, and the President's reply, referred by the President to the Council, circulated as NSC 106 for Council information, and referred to the Senior Staff for preparation of recommendations on the subject for consideration by the Council, the Secretary of the Treasury, the Director of Defense Mobilization, and the Economic Cooperation Administrator at an early Council meeting.

On March 15 the Senior Staff discussed the reference report and referred it to the Staff Assistants for use in the preparation of a draft report for consideration by the Senior Staff. Initial draft in preparation by ad hoc group of Staff Assistants with the advice and assistance of a special group from the Defense Department. Awaiting initial draft from ad hoc group of Staff Assistants.

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)C. OTHER CURRENT NSC STAFF PROJECTSNSC DETERMINATIONS ON EAST-WEST TRADE

(Memos for Special Committee on East-West Trade from Assistant Executive Secretary, same subject, dated January 15, 21, February 8, 9, 12, 13, April 18, 20, 27, two memos dated April 30, memos dated May 2, 7, 9 and 11; Memo for Special Committee from Assistant Executive Secretary, subject; "Agenda for Next Special Committee Meeting", dated January 22, 1951; Memos for NSC from Executive Secretary, same subject, dated February 8 and 23, 1951)

On December 6 the Special Committee on East-West Trade agreed that the Department of Commerce, with the assistance of representatives from State, Defense, NSRB, Treasury, ECA and CIA, would coordinate the preparation of statistical studies on the subject and submit those studies to the Special Committee for evaluation. On February 7 a drafting group of representatives of the Departments of State, Defense and Commerce was designated to prepare draft reports for the Special Committee.

List of countries receiving U. S. aid, prepared by the Department of State, circulated for information by the reference memo of January 22.

NSC Determination No. 1. Initial country studies on Latin America, the Near East, and Africa were approved by the Council (reference memos of February 8 and 23) and the Special Committee was directed to continue its examination of trade between the Soviet bloc and the countries of Latin America, the Near East, and Africa, and to scrutinize particularly certain aspects thereof. Draft response (reference memo of April 30) considered by the Special Committee on May 9 and referred back to the drafting group for revision in the light of the discussion.

NSC Determination No. . Draft report on trade between the Soviet bloc and Afghanistan, Burma, Ceylon, Formosa, India, Indonesia, Malaya and Singapore, Pakistan, the Philippines, South Korea and Thailand (reference memo of April 30) considered by the Special Committee on May 9 and referred back to the drafting group for revision in the light of the discussion. Preliminary trade studies for these countries were circulated by the reference memos of January 25, February 8, 9, 13, April 20, and May 2, 1951.

NSC Determination No. . Draft report on trade between the Soviet bloc and Sweden and Switzerland considered by the Special Committee on May 9 (reference memo of May 7) and forwarded to the Senior NSC Staff. See same item in Section 3-A. Preliminary trade studies for these countries were circulated by the reference memo of February 12.

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)

NSC DETERMINATIONS ON EAST-WEST (Cont'd)

NSC Determination No. . Draft report on trade between the Soviet bloc and Western Germany and Austria circulated by the reference memorandum of May 9, and is to be scheduled on the agenda of an early Special Committee meeting. Preliminary trade studies for these countries were circulated by the reference memorandum of February 12, 1951.

Preliminary studies of trade between the Soviet bloc and other countries of the world have been circulated as follows:

- a. Hong Kong and Japan: Reference memo of April 20.
- b. Ireland: Reference memo of April 20.
- c. Austria, Belgium-Luxembourg, Denmark, Finland, France, Germany, Iceland, Italy, the Netherlands, Norway, Portugal, Spain: Reference memo of February 12.
- d. Trieste and Yugoslavia: To be circulated.
- e. United Kingdom: Reference memo of April 27.
- f. Canada: Reference memo of May 11.

Studies of the trade of Poland and Czechoslovakia were circulated by the reference memo of April 20.

On April 17 the Special Committee reviewed its work in progress, and reached the following agreements:

1. Hong Kong-Macao. The State, Defense and Commerce members should continue their preparation of a draft report, to be completed as soon as possible, on U. S. export controls with respect to Hong Kong and Macao. In this connection consideration should be given, in accordance with NSC 94/1, to the general question of trade between the Soviet bloc and Hong Kong and Macao.
2. Japan. A report is to be made by the drafting group separate from that on South Asian and Far Eastern countries.
3. Europe. The drafting group should prepare as soon as practicable reports grouped in order of priority as follows:
 - a. Austria and Western Germany
 - b. France, Belgium-Luxembourg and the Netherlands
 - c. United Kingdom, Trieste and Italy

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)NSC DETERMINATIONS ON EAST-WEST TRADE (Cont'd)

- d. Spain, Portugal, Denmark, Iceland and Norway
 - e. Finland and Yugoslavia
4. General Review. The drafting group should undertake the necessary staff work for the Council's continuing responsibility to scrutinize East-West trade, in accordance with NSC 94/1, by means of the following procedures: (a) on the basis of information from the various departments and agencies concerned, appropriate reports should be prepared reviewing specific questionable trade matters; (b) progress reports should be prepared on the basis of periodic reviews of East-West trade; and (c) specific reports on particular trade problems and shipments should be made as circumstances require.
 5. Procedure. It was also agreed that, in connection with the above assignments to the drafting group, composed of representatives designated by the State, Defense and Commerce members, the participation and assistance of the representative of any other member of the Special Committee would be welcome.

Awaiting consideration by the Special Committee of the three draft reports referred to above, and awaiting the other reports by the drafting group as described in points 1-4 above.

PROVISION FOR STATE INTERNAL SECURITY FORCES

(NSC 96/1 and NSC 96; NSC Action No. 409; memo for members of staff group from Executive Secretary, subject, "Provision for State Guard Forces," dated May 7, 1951)

At the request of the Secretary of Defense, NSC 96 was submitted for Council consideration. At its 77th Meeting, by the reference action, the Council agreed to request the Chairman, NSRB, to develop, in consultation with other interested agencies, a plan for the provision of essential Federal guidance and assistance to the States in organizing reserves to perform State and local security functions when the National Guard is ordered into active military service, this plan to include any necessary Federal legislation.

Report by the Chairman, NSRB, circulated for Council information as NSC 96/1 and referred to the NSC Staff for use in the preparation of a report for Council consideration. On April 12 the Senior Staff discussed NSC 96/1 and referred it to the Defense, JCS, and NSRB Staff members together with officials from the Department of Justice, the Bureau of the Budget, and the Federal Civil Defense Administration, for use in the preparation of a report for Senior Staff consideration.

TOP SECRET

CURRENT NSC STAFF PROJECTS (Cont'd)

PROVISION FOR STATE INTERNAL SECURITY FORCES (Cont'd)

Draft outline, prepared by the Executive Secretary, transmitted to the above staff group by the reference memorandum, and discussed at a meeting on May 14. With some modifications, the outline was adopted as a working guide and the proposed assignments were accepted. Awaiting reports as assigned.

RELEASE OF INFORMATION REGARDING NEW WEAPONS

(Memo for NSC Consultants and AEC Representative, from Executive Secretary, same subject, dated July 5, 1950)

At the direction of the President, the Council and the Chairman of the Atomic Energy Commission undertook a consideration of the general problem of weapons information, including atomic weapons, in order to make appropriate recommendations to the President on the subject. A draft report, prepared by the Executive Secretary in accordance with the discussion at a meeting on June 22, 1950, has been circulated to the NSC Staff and a representative of the AEC by the reference memo. Awaiting redraft of this report by Defense.

TOP SECRET

4. OTHER CURRENT COUNCIL PROJECTS

JOINT REVIEW OF POLITICO-MILITARY STRATEGY

(NSC Actions Nos. 393-b and 424; NSC 68/4; NSC 100; Memo for NSC from Executive Secretary, subject: "Recommended Policies and Actions in Light of the Grave World Situation", dated January 16, 1951)

The President directed (NSC Action No. 393-b) the Secretaries of State and Defense to undertake a joint review of the politico-military strategy of this Government with a view to increasing and speeding up the programs outlined in NSC 68/4 in the light of the present critical situation, and to submit to the President as soon as possible appropriate recommendations through the NSC.

At its 81st Meeting the Council discussed a report by the Chairman, NSRB, on "Recommended Policies and Actions in Light of the Grave World Situation" (NSC 100) and noted the reference by the President of NSC 100 to the Secretaries of State and Defense for consideration in connection with the joint review of the politico-military strategy of this Government.

Awaiting joint report by the Secretaries of State and Defense.
(See also related projects in Section 3-A.)

APPRAISAL OF FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS, FACILITIES AND ARRANGEMENTS RELATED TO THE NATIONAL SECURITY

(Memo for NSC from Executive Secretary, same subject, dated February 7, 1950; NSC Action No. 282)

In approving the proposal by the Acting Chairman, NSRB, in the reference memo, the NSC directed (NSC Action No. 282) the CIA, in collaboration with the Government agencies concerned, to organize and conduct a study of foreign economic intelligence requirements, facilities and arrangements related to the national security, and, based on the finding of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned.

Interim reports by the CIA on September 8, October 4, and November 7, 1950, and January 9, February 1, March 7, and April 2, 1951, concerning the status of this project, indicate that a draft report to the Council, including a proposed NSCID on the subject, was submitted for IAC consideration on May 9. Awaiting report by CIA.

TOP SECRET

A NATIONAL PETROLEUM PROGRAM
(NSC 97)

At the direction of the President, a letter from the Acting Secretary of Defense on the subject (NSC 97) was referred to the Director of Defense Mobilization to develop a national petroleum program leading to the complete supply of allied requirements, for consideration by the NSC. Awaiting report by the Director of Defense Mobilization.

UNITED STATES OBJECTIVES, POLICIES AND COURSES OF ACTION IN ASIA
(NSC Action No. 420-d)

Upon consideration of NSC 101/1, on "U. S. Action to Counter Chinese Communist Aggression", the Council requested the Department of State to prepare a study of the effect upon China and other Eastern countries of continued U. S. support of Chiang Kai-shek. (NSC Action No. 420-d). Awaiting State report. (See Asia project in Section 2-A.)

TOP SECRET

25X1

Approved For Release 2005/04/18 : CIA-RDP80R01731R003700020007-7

Approved For Release 2005/04/18 : CIA-RDP80R01731R003700020007-7